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Cairns, John

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THE

Duties, Responsibilities, and

Opportunities of a Manager.



BY

JOHN CAIRNS

(Manager, Co-operative Society Limited, Tranent).

*Paper read at Special Conference of Representatives from
Committees of Management, Managers and Secretaries of Co
operative Societies in Scotland, held at Glasgow, March, 1904.*

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The Duties, Responsibilities, and Opportunities of a Manager.

IN surveying the field of co-operation with its encouraging successes, and yet so much to be done, one cannot escape the fact that in reaching its forward position of to-day, and in pressing onward to higher and wider achievements in the future, *managers* constitute an important factor. It must be owned that they have been responsible for temporary failures here and there, but taking them all in all, as the triumphs of the movement have been immensely greater than its defeats, this result might be accepted as an index of their general value.

It may be that with the growth of co-operation, education, and experience, committees may require a diminishing quantity of specialised skill for the management of their business, but, meantime, this is not a practical question, because, with commercial spirit and not co-operative faith as the ruling impulse among store members, managers are a sort of necessity.

To clear the ground for the exact subject it may be advisable to place at once the committee in that position of headship and power which it is their function to occupy. Since co-operation is a democratic force, the supreme instrument of its authority ought to be the representatives chosen for that purpose by the general

body of the members. A manager should understand that the power always rests with the committee to regulate and determine his duties, and while the practical value of an act of theirs might be disputed, no wise manager would resent it on the ground that a committee had exceeded its powers. While a committee is all-powerful, except for its subordination to a general meeting, its members should not interfere singly with the management of the business unless specially commissioned by a resolution adopted by its meeting collectively, which with a manager employed is unlikely to happen, unless under extraordinary and extenuating circumstances.

It is evident that the number of duties and the amount of single duties to be overtaken by managers must depend upon the extent of the society. For a business of ordinary size, say about £15,000 a quarter, and indeed for one much larger, my idea is that the managers should be able to perform most of the buying, and control the whole of it. To a man with a grocery training the work of conducting a bakery department comes naturally, and with an anxiety to learn, and the benefit of experience, he readily acquires a grasp of the butchery. A manager, therefore, in a society of ordinary size might be expected to have a thorough grasp of the commercial work of these departments, and of any subsidiary business, such as coal, that might be included in the grocery. I would not say that he ought to do all the buying for the butchery. This duty would often take him away from home, and it is important for a manager to be on the

premises as much as possible, that all that should be expected from him in this case is a clear understanding that the live stock was carefully and faithfully bought. Of course, he could not possess this knowledge unless he visited the markets occasionally, attended to the market reports when he was not there, and checked the dead weights himself from time to time.

I would not advise anyone who makes himself the master of these three departments—grocery, drapery, and butchery—to attempt the same degree of attainment in the drapery. It is a trade of an entirely different class, and is too dissimilar in character to be completely tackled by the same person who has made a minutely detailed study of the others. Let him control the drapery only in a general way. Leave the draper scope for the exercise of his specialised skill and taste by giving him the power of choice in buying, though the manager ought to see that the buying, especially as to quantity, is suited to the needs of the department.

In many societies the boot department is incorporated with the drapery. Where the boot department is separate a manager should have no difficulty, with the aid of a saleswoman, and by discreetly getting the advice of the shoemaker on technical points, in attending with closeness and efficiency to the buying himself.

A further duty of a manager, and this applies to all societies irrespective of their dimensions, is to have the business perfectly organised and every part of it wearing the appearance of being superintended by an experienced eye. Asked about the means that might be taken to

produce this efficiency, I would say that the art of organisation is the product of instinct and experience, but that the cultivation of moral power by a manager and a reliable system of checking weekly the results in such departments as the bakery, butchery, tailoring, shoes, and drapery would go a long way to enhance the character and prosperity of such a business.

A wise manager will be scrupulously just to those under him, and will seek to enlist their sympathy and intelligence in the welfare of the business by making them feel that they are not so much servants, labouring for the gain of a private master, as workers in the service of their fellowmen, and that upon their well-doing depends, in a measure, the successful issue of that reform of social life attempted by co-operation.

In cases where the position of manager is that of manager-secretary, he is responsible for the preparation of the balance sheet. This arrangement is of great advantage both to him and the society. A knowledge of accounts is essential in every manager whether his charge be large or small, but with the greater size of a society he requires more and more the qualifications of an accountant; and that quickness at figures and the understanding of them, which are the groundwork of these qualifications, are readily obtained from the preparation of comparatively small balance sheets.

I venture to say that the custom which exists, only in some societies, of giving the manager a place in the board-room with the committee is extremely desirable. If a manager has not this privilege it must be a matter

of greater difficulty to wield the reins of power with confidence and firmness. There is always a danger lest, having to act on an imperfect knowledge of their feelings, a manager may, in the performance of his duty, take up some position of authority, perfectly right in itself, but which they would not sanction, for considerations of their own, against which he had not the means of knowing to guard himself.

It takes a manager to be favoured with confidential relations by the committee so that he understands as well as one of themselves the actual basis of their instructions. In fact, is this not necessary in order that he may carry out the spirit as well as the letter of their commands? Moreover, it could do no harm for him to share in their deliberations, and it is more than likely that his special knowledge and experience would be a useful help to their judgment.

If this confidential relationship is not granted, it will say a great deal for a manager's inherent ability that, apart from the greater complexity and responsibility of his duties, he is not only a little better than a figure-head in the store. This matter has also an emotional side. With all their good qualities one must not pretend that a committee is never at fault, that they never confuse and dishearten a manager with their decisions. This happens, and sometimes a manager is worried and made wretched, his mind and body impaired, by which the quality of his work suffers, and the society loses, mainly because, not being thoroughly in touch with the committee, he

and they fail to understand each other. As J. S. Mill says:—"Next to having a bad servant the misfortune is to have a good one, and not to know it."

Then the importance and scope of a manager's work demands that he should receive all the experience going in the board-room or anywhere else.

A person in business for himself is limited to the bare possibilities of his own trade as a grocer, a baker, or draper, as the case may be, whereas a store manager may reasonably aspire to and aim at nothing short of embracing in his society practically all the distributive trades of its district. In addition to this, he has the opportunity of developing subsidiary trades of a productive nature, such as woollen and leather industries on a small scale, a dairy, paper-bag making, a farm, and so on.

In making these remarks on the opportunities of a manager one must be careful not to minimise the essentially-important part acted by the committee in all developments. At the same time the point should not be omitted that, for the performance of this work, they are under a disadvantage as compared with a manager. For superintendence a committee may be more valuable than the best manager, but for engineering a business they are greatly handicapped by the imperative demands of their regular calling. The trade by which a person earns his livelihood must fill his thoughts during the greater part of those hours when his mind is at its best.

Important parts of his character are formed by the way in which his faculties are used in his daily work. If he divides his thoughts during the day between the problems of the hour and the problems of the evening his power and habit of concentration is weakened, to his and his country's loss, and he is apt to miss the highest standard of efficiency as a workman.

Again, after his own trade or profession has received the principal share of his attention and energy, what remains is only secondary and subordinate, and consequently unfitted for the burden of thinking out in all ramifications of detail the important problems and projects never awaiting in the experience of a progressive society.

It may be said that many of our directors are engaged during the day in labour only physically and not mentally exhausting, and that their co-operative duties will find them in the evening ready for the task. This is partly true and applies to many of the things accomplished by a committee, but that anxious and laborious penetration into details, that comprehensive grasp of them by which they are economically arranged into a systematic whole, can scarcely be overtaken by a mind suffering from bodily fatigue, however willing that mind may be.

In thus claiming for the office of a manager a large proportion of the influence and opportunity available for the success of the movement, the question is raised as to the kind of man that ought to fill the office. He

ought to be a man of strong ambitions. Some committees seem to think that a desirable man is one who looks upon a moderate income, earned by moderate and steady work, as the most satisfactory way of living.

But a man of that stamp, though presenting the example of a just enough life, is too self-contained for a store manager, and he has not the driving force necessary for the aggressive work that has to be done. A store manager, instead of being satisfied with the repose of a strifeless life, ought to be consumed with the determination to introduce co-operative principles into every sphere of business, heedless of the private interests that bar the way. He should find intense pleasure in the pursuit of success in co-operative trading. When assailed with the name of dividend-hunter and such like, and he may even be called a devourer of widow's houses for stopping at nothing, however small, for which he can find a profitable sale, let his answer be that in his scheme of life the pursuit of wealth is a noble aim. He seeks, by means of the possession of wealth, and its equitable distribution afterwards, to enable every well-doing social unit to obtain all the necessities of life and culture, and, as opportunity permits, to provide the higher forms of enjoyment for collective use.

I own that to many it seems a mere act of imagination to claim, as the opportunity of a store manager, the distributive trade of any large community can be made entirely co-operative. Generally speaking, the bulk of people fail as yet to grasp the potentialities of co-operation, and the professors of political economy, very important men

these days, seem to think that the limit will be reached when practically all the distributive trade of the working classes and the production of most of those articles of native industry that they consume themselves have been overtaken. There is a more stimulating prospect for managers than this. Although not very extensively realised, the idea of self-help by means of collective action has taken deep root, and depend upon it there is being continually stored up in the national mind and character, by the success of co-operation, a growing faith in its reforming power, and through time will arise a habit of common action by which in difficulties the public will instinctively turn to co-operation as the best and surest aid to their social well-being. In this eventuality, with great moral causes at work, not even a professor of economy is entitled to say that the movement can proceed so far and no further.

Doubtless, the rest of managers indulge, like myself, in these speculations, and derive from them encouragement and hope. If we are not good men we ought to be, and have a great deal to answer for. Nothing purifies the mind like a great ethical idea, around which all others organise themselves, and that contained in the nature of our occupation is supremely qualified to be the guide, the inspiration, and the ideal of a man's industrial life. We managers who have been responsibly connected for a goodly number of years with the organisation of a society know beyond doubt that an accumulation of wealth is the only foundation on which any complete and durable co-operative success can be reared. Further, that with

proper management, in the form of care, energy, and forethought, there is nothing to prevent an established society from becoming so financially strong that no private business in the same place could offer equal trading advantages.

Assuming this condition of affairs to be the practical aim of a manager, as it ought to be, and keeping in view the utility of having a clearly defined goal in front, I would suggest that the first position he ought to set before himself, for the society to reach, might be to have its financial stability raised by depreciation and addition to reserve funds, until interest on capital did not cost the business a single penny. Now, if this financial state generally existed within the movement, and it is well within the range of possibility at a comparatively early date, if every society was thoroughly well managed, practically all the distributive trade of the country would rapidly pass into co-operative hands. I imagine, too, the vast resources that would under these circumstances be available for productive and other new enterprises, and you begin to realise the greatness of the opportunities, present and future, surrounding the office of a store manager.

One other point is that in order to give a manager the opportunity of devotedly fulfilling his duty to a particular society, and to the movement in general, he must be paid in a manner somewhat equal to the return his labour would bring in private enterprise. Loyalty to the idea of collective well-being may induce some to cling to co-operative work when they could earn more on the

other side, but family affection, and not social fraternity, is the impelling motive in most men, and unless societies pay their managers on a scale that will enable them to maintain their families in much the same standard of comfort that they could provide for them as private traders, the best equipped men are sure to leave the movement. Now intelligence, energy, and experience—which cannot be obtained without paying the market price for them—are absolutely essential to success in business under the present-day system of competition, and we can see the prospect of no other system for some time to come. In fact, is some form of competition not indispensable to an efficient life? The truth seems to be that man degenerates unless he has some hard work to do, some difficulties to overcome. I say, therefore, that in spite of the greater first cost, because the policy would be the cheapest in the long run, managers of experience and proved ability should be induced to remain in the service of co-operative societies. Moreover, commercial work is usually better done at middle life than earlier. It is at first performed as a means to some end, and for the sake of that end. Ultimately it becomes a pleasure in itself, and surely the best type of a manager is the man to whom, among other qualifications, the duties of his office have become a second nature.

J. CAIRNS.

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